



## Legislative Fiscal Bureau

One East Main, Suite 301 • Madison, WI 53703 • (608) 266-3847 • Fax: (608) 267-6873

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Joint Committee on Finance

Paper #501

### **Drug, Food, Medical and Other Variable Costs (DHFS -- Care and Treatment Facilities)**

[LFB 2001-03 Budget Summary: Page 383, #4]

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#### **CURRENT LAW**

The Division of Care and Treatment Facilities (DCTF) operates seven institutions: (a) the three state Centers for the Developmentally Disabled ("Centers"); (b) the two state Mental Health Institutes (MHIs); (c) the Wisconsin Resource Center (WRC); and (d) the Sand Ridge Secure Treatment Center (SRTC). The Centers are supported by program revenue (PR) transferred from the medical assistance (MA) benefits appropriation and are supported on a 41% GPR/59% FED basis. The WRC and SRSTC are funded by GPR. The two MHIs are funded by a combination of GPR and PR. The PR funding for the MHIs is supported by several sources, including payments by counties and MA.

Base drug, food, medical and other variable funding for these seven institutions is \$19,589,100 (\$10,159,200 GPR and \$9,429,900 PR). Of the \$9,429,900 PR, approximately \$3,297,200 is supported by GPR MA funds.

#### **GOVERNOR**

Provide \$314,800 (\$183,500 GPR and \$131,300 PR) in 2001-02 and \$1,780,700 (\$1,145,500 GPR and \$635,200 PR) in 2002-03 to fund projected increases in the costs of food (-\$117,100 GPR and \$118,200 PR in 2001-02 and \$42,400 GPR and \$164,300 PR in 2002-03) and variable nonfood costs, such as medical care, drugs, clothing and other supplies (\$300,600 GPR and \$13,100 PR in 2001-02 and \$1,103,100 GPR and \$470,900 PR in 2002-03) for persons who receive care at the Centers, the MHIs, the WRC and the SRTC.

## DISCUSSION POINTS

1. Budgeting the appropriate amounts for food, drug, medical costs and other variable items is dependent on a number of other estimates, such as the projected mix of populations at the MHIs between GPR- and PR-supported patients and the number of CIP IA relocations from the Centers in 2000-01. Funding in the bill for food, drugs and other variable items should be adjusted to reflect more recent data on the populations served by these facilities. In addition, several assumptions regarding projected inflationary cost increases differ from those used by the administration.

2. One change that has a significant effect is that the projected population for Winnebago MHI is reduced to 285 in 2001-02 and 290 for the purpose of projecting drug and other variable nonfood costs. A second change is that the drug and other variable non-food cost increases for Southern Center are reduced to reflect a CIP IA reduction in that area. More significant changes that produced higher costs included increases in the projected populations for the Centers with respect to non-food costs and slightly higher inflation estimates for medical services.

3. The attachment lists, by institution, the base budget, the Governor's recommendations and the current estimates. Changes in the PR funding for the MHIs and the state Centers affect MA costs. The net effect is to decrease funding for MA benefits by \$27,000 GPR and \$38,400 FED in 2001-02 and by \$51,100 GPR and \$72,000 FED in 2002-03.

## MODIFICATION

Modify the Governor's recommendation by reducing funding in the bill by \$319,000 (\$236,700 GPR and \$82,300 PR) in 2001-02 and \$299,500 (\$172,000 GPR and \$127,500 PR) in 2002-03 for food and variable nonfood costs at DCTF institutions. In addition, reduce the MA benefits funding by \$27,000 GPR and \$38,400 FED in 2001-02 and by \$51,100 GPR and \$72,000 FED in 2002-03 to reflect these changes.

<u>Modification</u>	<u>GPR</u>	<u>FED</u>	<u>PR</u>	<u>TOTAL</u>
<b>2001-03 FUNDING</b> (Change to Bill)	- \$486,800	- \$110,400	- \$209,800	- \$807,000

Prepared by: Richard Megna

## ATTACHMENT

### Food and Variable Non-Food Costs DCTF Institutions

		Base Funding	Governor		Reestimate		Change to Governor	
			2001-02	2002-03	2001-02	2002-03	2001-02	2002-03
<b>VARIABLE NON-FOOD</b>								
Mendota	GPR	\$1,492,100	\$1,628,200	\$1,736,000	\$1,604,400	\$1,744,100	-\$23,800	\$8,100
	PR	488,200	731,500	779,900	718,900	781,400	-12,600	1,500
	Total	1,980,300	2,359,700	2,515,900	2,323,300	2,525,500	-36,400	9,600
Winnebago	GPR	1,426,200	1,459,100	1,578,900	1,301,200	1,432,900	-157,900	-146,000
	PR	868,500	1,243,000	1,345,000	1,197,700	1,318,900	-45,300	-26,100
	Total	2,294,700	2,702,100	2,923,900	2,498,900	2,751,800	-203,200	-172,100
WRC	GPR	2,223,700	2,439,200	2,616,600	2,407,500	2,596,000	-31,600	-20,600
Sand Ridge	GPR	2,771,700	2,687,800	3,085,300	2,687,800	3,085,300	0	0
Central Center	PR	2,494,500	2,614,500	2,795,700	2,718,300	2,862,500	103,800	66,800
Northern Center	PR	1,324,100	1,456,700	1,536,300	1,522,900	1,595,700	66,200	59,400
Southern Center	PR	<u>2,614,300</u>	<u>1,757,000</u>	<u>1,803,600</u>	<u>1,557,400</u>	<u>1,587,700</u>	<u>-199,600</u>	<u>-215,900</u>
Total GPR		\$7,913,700	\$8,214,300	\$9,016,800	\$8,001,000	\$8,858,300	-\$213,300	-\$158,500
Total PR		<u>7,789,600</u>	<u>7,802,700</u>	<u>8,260,500</u>	<u>7,715,200</u>	<u>8,146,200</u>	<u>-87,500</u>	<u>-114,300</u>
TOTAL		\$15,703,300	\$6,017,000	\$17,277,300	\$15,716,200	\$17,004,500	-\$300,800	-\$272,800
<b>FOOD</b>								
Mendota	GPR	\$329,900	\$331,100	\$340,400	\$345,600	\$361,600	\$14,500	\$21,200
	PR	102,800	148,700	153,000	154,800	162,000	6,100	9,000
	Total	432,700	479,800	493,400	500,400	523,700	20,600	30,300
Winnebago	GPR	201,600	260,900	268,400	232,900	243,800	-28,000	-24,600
	PR	155,900	222,300	228,600	214,400	224,400	-7,900	-4,200
	Total	357,500	483,200	497,000	447,300	468,100	-35,900	-28,900
WRC	GPR	668,500	613,400	630,900	603,600	620,800	-9,800	-10,100
Sand Ridge	GPR	1,045,500	923,000	1,048,200	923,000	1,048,200	0	0
Central Center	PR	518,000	518,400	532,400	543,800	548,400	25,400	16,000
Northern Center	PR	365,600	323,400	331,000	343,900	347,300	20,500	16,300
Southern Center	PR	<u>498,000</u>	<u>545,700</u>	<u>559,600</u>	<u>506,800</u>	<u>509,300</u>	<u>-38,900</u>	<u>-50,300</u>
Total GPR		\$2,245,500	\$2,128,400	\$2,287,900	\$2,105,000	\$2,274,400	-\$23,400	-\$13,500
Total PR		<u>1,640,300</u>	<u>1,758,500</u>	<u>1,804,600</u>	<u>1,763,700</u>	<u>1,791,400</u>	<u>5,200</u>	<u>-13,200</u>
TOTAL		\$3,885,800	\$3,886,900	\$4,092,500	\$3,868,700	\$4,065,800	-\$18,200	-\$26,700
<b>TOTAL -- FOOD &amp; NON-FOOD</b>								
Mendota	GPR	\$1,822,000	\$1,959,300	\$2,076,400	\$1,950,000	\$2,105,700	-\$9,300	\$29,300
	PR	591,000	880,200	932,900	873,700	943,500	-6,500	10,600
	Total	2,413,000	2,839,500	3,009,300	2,823,700	3,049,200	-15,800	39,900
Winnebago	GPR	1,627,800	1,720,000	1,847,300	1,534,100	1,676,600	-185,900	-170,700
	PR	1,024,400	1,465,300	1,573,600	1,412,100	1,543,300	-53,200	-30,300
	Total	2,652,200	3,185,300	3,420,900	2,946,200	3,219,900	-239,100	-201,000
WRC	GPR	2,892,200	3,052,600	3,247,500	3,011,100	3,216,800	-41,500	-30,700
Sand Ridge	GPR	3,817,200	3,610,800	4,133,500	3,610,800	4,133,500	0	0
Central Center	PR	3,012,500	3,132,900	3,328,100	3,262,100	3,410,900	129,200	82,800
Northern Center	PR	1,689,700	1,780,100	1,867,300	1,866,800	1,943,100	86,700	75,800
Southern Center	PR	<u>3,112,300</u>	<u>2,302,700</u>	<u>2,363,200</u>	<u>2,064,200</u>	<u>2,096,900</u>	<u>-238,500</u>	<u>-266,300</u>
Total GPR		\$10,159,200	\$10,342,700	\$11,304,700	\$10,106,000	\$11,132,200	-\$236,700	-\$172,000
Total PR		<u>9,429,900</u>	<u>9,561,200</u>	<u>10,065,100</u>	<u>9,478,900</u>	<u>9,937,600</u>	<u>-82,300</u>	<u>-127,500</u>
TOTAL		\$19,589,100	\$19,903,900	\$21,369,800	\$19,584,900	\$21,070,300	-\$319,000	-\$299,500